
Iowa Legislative Fiscal Bureau

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State Capitol
Des Moines, IA 50319
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Iowa State University Healthy Livestock Program

ISSUE

Reviews the appropriation to the Iowa State University (ISU) Healthy Livestock Program for FY 1996 and FY 1997.

AFFECTED AGENCY

Iowa State University, of the State Board of Regents

CODE AUTHORITY

Section 262.9, Code of Iowa

BACKGROUND

The General Assembly appropriated \$1.0 million for the ISU Healthy Livestock Program for FY 1996 in SF 266 (Education Appropriations Bill). The mission was to improve the services provided to veterinarians in the State and to increase the amount of research conducted on livestock diseases. These funds were included within the ISU General University line-item appropriation with legislative intent requiring ISU to expend \$1.0 million for the Program.

In January 1996, the Legislative Fiscal Bureau issued a six-month review of the expenditures of the Program which indicated that only 9.1% of the funds had been expended during the first half of FY 1996. For FY 1997, the General Assembly appropriated a total of \$1.7 million for the Program, again within the General University line-item and with legislative intent language.

Originally, ISU planned to expend the Healthy Livestock Program funds on personnel, supplies, and equipment. This plan was revised to include funds for remodeling and construction costs.

Iowa State University is not requesting additional funds for this Program in the FY 1998 budget request.

CURRENT SITUATION

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At the end of FY 1996, \$428,592 (42.9%) of the \$1.0 million appropriation had been expended and the remaining \$571,408 (57.1%) was carried over and will be used for construction costs, remodeling, and equipment. The unexpended funds will not revert to the State General Fund because institutions of the Board of Regents do not revert funds. **Table 1** shows the original FY 1996 budget, actual expenditures and carry-over. Typically, it is difficult in starting a new program to utilize personnel budgets in the first year because of delays in hiring.

Table 1

FY 1996 Healthy Livestock Program Expenditures

Expenditure Category	Original Budget	Expenditure	Carry-over
Faculty Salaries	\$395,438	\$74,675	\$0
P&S Salaries	32,370	0	0
Gen. Service Salaries	101,670	16,272	0
Hourly Salaries	0	12,681	0
Supplies	203,833	223,609	0
Facilities Development	0	45,495	397,005
Equipment	266,689	55,860	174,403
Totals	\$1,000,000	\$428,592	\$571,408

Representatives of ISU have indicated that by December 1996, the encumbered FY 1996 funds will be expended.

The budget for FY 1997 is shown in **Table 2**. Again it may be difficult to expend the entire personnel budget due to hiring delays and given the \$700,000 increase appropriated by the General Assembly for FY 1997 compared to FY 1996. The Legislative Fiscal Bureau will review the FY 1997 expenditures for this Program each quarter. Much of the equipment purchases with FY 1996 funds was to assist local veterinarians in more rapid responses of diagnoses.

Table 2

FY 1997 Healthy Livestock Budget

Expenditure Category	Original Budget
Faculty Salaries	\$607,394
P&S Salaries	67,604
General Service Salaries	180,313
Hourly Salaries	35,000
Supplies	382,000
Equipment	427,689
	\$1,700,000

EMPLOYEE POSITIONS

The representatives of ISU have provided a listing of employees paid by the Healthy Livestock Program appropriation and planned to be filled in FY 1997. Most are graduate students or postdoctoral positions whose funding sources ended when the appropriation for Healthy Livestock was substituted for the salary source. Of the funds expended in FY 1996, \$200,000 (46.66% of the

actual expenditures) were classified as grants for existing faculty, which were dispersed between salary, equipment, and supplies expenditure categories.

ALTERNATIVES

The General Assembly may wish to consider:

- A review in the future of the outcomes of the Healthy Livestock Program.
- Requiring certain funds to be expended upon activities to assist the local veterinarians.
- A review of expenditure of salaries compared to equipment and construction costs.

BUDGET IMPACT

There is no budget impact upon the General Fund of the State if the General Assembly permits ISU to retain the \$1.7 million for the Healthy Livestock Program while possibly reviewing the expenditure of the funds.

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